



SOIL & WATER CONSERVATION COMMISSION

AMENDED REGULAR TELECONFERENCE MEETING & AGENDA

Idaho Soil & Water Conservation Commission

January 29, 2014, 10:00 am – 2:30 pm MT

**LBJ Building Basement
650 W State Street Room B35
Across from Idaho Central Credit Union**

TELECONFERENCE # (888) 706-6468 Passcode: 6913014

The Commission will occasionally convene in Executive Session, pursuant to Idaho Code § 67-2345.

Executive Session is closed to the public.

AMERICANS WITH DISABILITIES ACT COMPLIANCE

The meeting will be held in facilities that meet the accessibility requirements of the Americans with Disabilities Act. If you require special accommodations to attend, participate in, or understand the meeting, please contact the Idaho Soil & Water Conservation Commission at (208) 332-1790 or Info@swc.idaho.gov so advance arrangements can be made.

Members of the public may address any item on the Agenda during consideration of that item. Those wishing to comment on any agenda item are requested to indicate so on the sign-in sheet in advance. Copies of agenda items, staff reports and/or written documentation relating to items of business on the agenda are on file in the office of the Idaho Soil & Water Conservation Commission in Boise. Upon request, copies can be emailed and will also be available for review at the meeting.

	1.	WELCOME, SELF-INTRODUCTIONS, AND ROLL CALL	Chairman Wright
		a. Introduction of New Commissioner	Chairman Wright
*#		b. Letter of Appreciation to Dick Bronson ACTION: Approve	Chairman Wright
	2.	AGENDA REVIEW <i>Agenda may be amended after the start of the meeting upon a motion that states the reason for the amendment and the good faith reason the item was not included in the original agenda.</i>	Chairman Wright
	3.	PARTNER REPORTS	IASCD, NRCS, IDEA
	4.	ADMINISTRATION	Murrison
*#		a. MINUTES 1. September 12, 2013 2. November 19, 2013 ACTION: Approve	

(*) Action Item
Agenda

(#) Attachment

ACTION: Staff recommended action for Commission Consideration

Wednesday, January 29, 2014 Regular Meeting

Date of Notice: Jan. 22, 2014

*#		b. FINANCIAL REPORT 1. November, 2013 2. December, 2013 ACTION: Approve	
#		c. ADMINISTRATOR'S REPORT <ul style="list-style-type: none"> Activities FY 2015 Recommended Budget Germane Committee Presentations Schedule Conservation the Idaho Way Day in the Capitol Feb. 12th February Commission Meeting Ag Summit 	Murrison
	5.	PROGRAMS	
#		RANGELAND CONSERVATION & RESOURCE DEVELOPMENT PROGRAM a. Program Activities ACTION: For information only	Hoebelheinrich
#		b. Loan Fund Financial Reports (November 2013 – December 2013) ACTION: For information only	Hoebelheinrich
*#		c. Proposed Conflict of Interest Policy ACTION: For review and consideration	Hoebelheinrich, Hensley
	6.	OTHER BUSINESS	
		a. Reports <ol style="list-style-type: none"> Commissioners Staff 	
*	7.	ADJOURNMENT The next regular meeting will be held February 17, 2014 in Boise.	

(*) Action Item

Agenda

(#) Attachment

ACTION: Staff recommended action for Commission Consideration

Wednesday, January 29, 2014 Regular Meeting

Date of Notice: Jan. 22, 2014



SOIL & WATER
CONSERVATION COMMISSION

COMMISSION

January 29, 2014

H. Norman Wright
Chairman

Mr. Richard L. Bronson

Roger Stutzman
Vice Chairman

PO Box 61

Payette, ID 83661

Jerry Trebesch Secretary

Dear Dick,

Dave Radford
Commissioner

The Soil and Water Conservation Commission wishes to express appreciation for the exceptional service and leadership you have provided to the Commission over the past six years.

Leon Slichter
Commissioner

Teri A. Murrison
Administrator

Your unrelenting dedication and visionary work has been a driving force in the accomplishment of many Commission initiatives and achievements. Through your commitment to the Commission, as well as the many other public service roles you serve, you have earned a well-deserved reputation as a statesman. Your spirit and stewardship is the true embodiment of Conservation the Idaho Way.

We would also like to extend our appreciation to Mrs. Bronson for her support. We offer our sincere thanks to Marcy for her sacrifice over the past several years as you have missed many family events in order to fulfill your Commission duties.

We deeply appreciate all of your hard work as both Chairman and Commissioner. Your efforts and abilities led to significant improvements in relationships between the Commission, Idaho's conservation districts, and beyond.

The Commissioners and staff of the Idaho Conservation Commission wish you well in your retirement—you will be greatly missed.

Sincerely,

H. Norman Wright, Chairman



Idaho Soil & Water Conservation Commission

650 W. State St., Room 145 • Boise Idaho 83720

Telephone: 208-332-1790 • Fax: 208-332-1799

www.swc.idaho.gov

Item #4.a.1

IDAHO SOIL & WATER CONSERVATION COMMISSION PUBLIC MEETING & TELECONFERENCE

Date and Time:

Thursday, September 12, 2013
From 8:00 am – 12:00 pm MST

Location:

Pasta Palace Restaurant
1014 Main Street
Buhl, Idaho

DRAFT MINUTES

COMMISSION MEMBERS PRESENT:

Norman Wright
David Radford

Roger Stutzman
Dick Bronson

COMMISSION MEMBERS PRESENT via teleconference:

Jerry Trebesch

COMMISSION STAFF PRESENT:

Teri Murrison
Cheryl Wilson
Pam Johansen
Terry Hoebelheinrich
Chuck Pentzer

Delwyne Trefz
Jan Webster
Carolyn Firth
Rob Sharpnack

PARTNERS AND GUESTS PRESENT:

Harriet Hensley
Steve Schuyler

Chris Simons

COMMISSION STAFF & PUBLIC PRESENT via teleconference:

Bill Lillibridge

1 ITEM #1: WELCOME AND ROLL CALL

- 2 Chairman Wright called the meeting to order at 8:07 am. Roll call: Chairman Norman Wright,
3 Commissioners David Radford, Jerry Trebesch, Dick Bronson and Roger Stutzman were present.

1

established
1939

650 W. State St., Room 145 • Boise, ID 83702

P: 208.332.1790 • F: 208.332.1799 • swc.idaho.gov

Conservation the Idaho Way: sowing seeds of stewardship

4
5 **EXECUTIVE SESSION**

6 Commissioner Stutzman moved to enter into executive session pursuant to Idaho Code §67-2345(d) for
7 the purpose of reviewing loan applications and pursuant to Idaho Code §67-2345(d) for the purpose of
8 discussing human resources issues. Commissioner Radford seconded the motion. Motion carried by
9 unanimous vote. Executive Session commenced at 8:08 am.

10 **ITEM 8a: RCRDP LOAN APPLICATIONS REVIEW**

11 Ms. Murrison, Mr. Hoebelheinrich, Ms. Wilson, Ms. Webster, Ms. Johansen and Deputy AG Harriet
12 Hensley were present for RCRDP loan business consideration. Commissioner Stutzman recused himself
13 from that portion of the Executive Session conducted pursuant to Idaho Code §67-2345(d).
14

15 **ITEM 8b: HUMAN RESOURCES: EMPLOYEE PERFORMANCE REVIEW**

16
17 Executive Session ended at 10:00 am. Open Session was reconvened at 10:03 am.

18 Item #8a Action: Commissioner Bronson moved to approve Loans A-678, A-679 and A-680 pursuant to
19 the loan officer recommendation as the applications meet criteria for conservation benefit and loan
20 consideration established in IDAPA 60.05.01 and loan policy. Commissioner Radford seconded the
21 motion. The motion carried with four Commissioners approving and Commissioner Stutzman
22 abstaining.
23

24 Item #8b: Action: Commissioner Radford moved that the Administrator's salary be increased by \$2,000
25 per year. Commissioner Stutzman seconded the motion. Motion carried by unanimous vote.
26

27 PRESENTATION: The Chairman presented a plaque to Commissioner Dick Bronson in recognition of his
28 leadership from July 1, 2011 through June 30, 2013 as Chairman of the Idaho Soil and Water
29 Conservation Commission.
30

31 **ITEM #3 PARTNER REPORTS**

32 None were made.

33 **ITEM #4a: MINUTES**

34 Action: Commissioner Radford moved to approve the August 8, 2013 minutes. Commissioner Stutzman
35 seconded the motion. Motion carried by unanimous vote.
36

37 **ITEM #4b: FINANCIAL REPORTS**

38 Action: Commissioner Radford moved to approve the Revised FY 2014 July Monthly Financial Summary
39 and the FY 2014 August Monthly Financial Summary Reports. Commissioner Stutzman seconded the
40 motion. Motion carried by unanimous vote.
41

42 **ITEM #4c: ADMINISTRATOR'S REPORT - FALL IASCD DIVISION MEETING SCHEDULE**

43 Action: None taken. The Chairman assigned the following Commissioners to attend Division Meetings:
44 Division 1 – October 10th in Hayden, Idaho – Chairman Wright
45 Division 2 – October 11th in Orofino, Idaho – Chairman Wright
46 Division 3 – October 8th in Caldwell, Idaho – Commissioner Bronson
47 Division 4 – October 30th in Richfield, Idaho – Commissioner Stutzman
48 Division 5 – October 23rd in Montpelier, Idaho – Chairman Wright
49 Division 6 – October 24th in Driggs, Idaho – Commissioner Radford
50

ITEM #5a: FY 2014 DISTRICT MATCH ALLOCATIONS

Action: Commissioner Radford moved to accept the Local Funds Match Report and recommendation for FY 2014 allocations from the District Allocation Work Group (DAWG). Commissioner Bronson seconded the motion. Motion carried by unanimous vote.

ITEM 5b: DISTRICT TECHNICAL ASSISTANCE ALLOCATION PROCESS OPPORTUNITY TO COMMENT

No comments were received.

Action: ITEM 6a: RCRDP UPDATE

Action: no action taken

ITEM 6b: LOAN COMMITTEE REVIEW OF LOAN FORMS

Action: no action taken

ITEM #7: OTHER BUSINESS, REPORTS

ITEM #9: ADJOURNMENT:

The meeting was adjourned at 12:05 pm. The next Commission meeting will be held on Tuesday, November 19, 2013, at 11:00 am in Boise during the IASCD Annual Conference.

Respectfully submitted,

Gerald Trebesch, Secretary



Idaho Soil & Water Conservation Commission

650 W. State St., Room 145 • Boise Idaho 83720

Telephone: 208-332-1790 • Fax: 208-332-1799

www.swc.idaho.gov

Item #4.a.2

IDAHO SOIL & WATER CONSERVATION COMMISSION PUBLIC MEETING & TELECONFERENCE

Date and Time:

Tuesday, November 19, 2013

From 11:00 am – 12:30 pm MST

Location:

Boise Hotel and Conference Center

3300 Vista Ave

Boise, Idaho

DRAFT MINUTES

COMMISSION MEMBERS PRESENT:

Norman Wright

David Radford

Jerry Trebesch

COMMISSION STAFF PRESENT:

Teri Murrison

Cheryl Wilson

Allan Johnson

Chuck Pentzer

Karie Pappani

Terry Hoebelheinrich

Delwyne Trefz

Jan Webster

Carolyn Firth

Loretta Strickland

PARTNERS AND GUESTS PRESENT:

Ann Vonde -Attorney General Office

Dallan Nalder-Oneida SWCD

Chris Hatch-Franklin SWCD

Kerry Thompson-Wood River SCD

James Hardcastle-Bear Lake SWCD

Charles Kiester-Owyhee SCD

Wendy Green-Adams SWCD

Lisa Transtrum-Bear Lake SWCD

Cathy Bolin-Clearwater SWCD

Lynn Rasmussen-Nez Perce SWCD

Kathy Noble-Blaine SCD

Linda O'Hare-Bonner SCD

Ryan Blatle-East Side SWCD

Stan Maloney-Weiser River SWCD

Herman Collins-Bonner SWCD

Kyle Wilson-Nez Perce SWCD

Tom Daniel-Boundary SCD

Chris Simons-Balance Rock/Twin Falls SWCD

Jennifer Jenson-Bear Lake SWCD

Frank Walker-Latah SWCD

Bob Simpson-Blaine SCD

Aaron Andrews-Blaine SCD

Garl Drake-Teton SCD

John Mussler-Franklin SWCD

Gordon White-Clearwater SWCD

Sharona Olson Wood River SCD

Rene' Riddle-Boundary SCD

Megan Heward-East & West Cassia SWCD

Lyla Dettmer-Franklin SWCD

Benjamin Kelly-IASCD

Vicki Lukehart-Weiser River SCD

Lori Kent-Canyon SCD

Jinny Cash-Idaho SWCD
Paul Kleint-Valley SWCD
Kevin Dugar-Camas CD
Art Beal-Squaw Creek SCD
Tracy Hill-Nez Perce SWCD
Dennis Tanikuni-Idaho Farm Bureau
Barb Messick-Gooding/Wood River SWCD
Matt Woodard-East Side SWCD
John Saili-Blaine SCD
Delbert Winterfeld-East Side SWCD
June Winterfeld-East Side SWCD

Curtis Beyeler-Lemhi SWCD
Brenda Moyer-Camas CD
Dave Huggins-Latah SCD
Robbie Taylor-Madison/Clark/IDEA
Amanda Hall-Nez Perce SWCD
Terry Kramer-Balanced Rock SWCD
Bev Swainston-Blaine SCD
Gina Millard-Owhyee SWCD
Michael Swartz-Canyon SCD
Sean Maloney-Weiser SCD

ITEM #1: WELCOME AND ROLL CALL

Chairman Wright called the meeting to order at 11:07 am. Roll call: Chairman Norman Wright, Commissioners David Radford and Gerald Trebesch were present.

ITEM #2: REVIEW AGENDA

ITEM 3a: RCRDP UPDATE

ITEM 3b: DISTRICT SUPPORT SERVICES

Mr. Trefz presented district input on the technical assistance allocation process and Commission staff/TAWG recommendations for potential changes to the process. Potential changes included:

- Districts will continue to be required to submit requests in March for technical assistance during the following fiscal year. The Commission will adjust the amount of discretionary and district support hours to allow for some additional flexibility.
- Each IASCD Division will determine their own evaluation process for a 1-year pilot program to begin in March 2014, including whether or not to utilize the TAWG-developed criteria in FY 2012. At the end of the year, the Commission will evaluate all processes used, will solicit input from the TAWG and districts, and based on lessons learned, will adopt a single process for all Divisions to follow in March 2015.
- Request form - Commission will enable spell checking of fields, simplify request form to 2 pages including written description of project, total number of hours requested (not including travel time), narrative paragraphs on project support (in place of letters of support), plans for publicizing, permitting, and maintaining the project, and signed district certification form.
- Within the existing ranking criteria, extra points will be awarded to districts that haven't had project awards in recent (3 year) history.
- Commission staffing patterns may be adjusted to cover district needs in situations where geographic conditions and skillsets permit.
- Districts awarded technical assistance will be able to request reallocation of project hours if they don't use them all on the awarded project. Requests to reallocate awarded project time must be preapproved by Delwyne Trefz, the District Support Services Specialist, and the affected field staff's direct supervisor.
- Delwyne will educate district staff, supervisors, and Commission staff on the process as needed to ensure everyone understands. Commission technical assistance staff can participate in district deliberations on possible assistance requests if available and Delwyne will attend meetings virtually as requested to assist districts in brainstorming possible assistance requests.

Action: Commissioner Radford moved to accept recommendations as presented by staff. Chairman Wright seconded the motion. Motion carried by unanimous vote.

Public Comments/Questions

After the presentation on the recommendations, the floor was opened for comments and questions (*answers are indicated in italics*). They included:

- What is the definition of “struggling districts”? [*Those districts that haven’t received Commission support in the last three years or that lack the technical expertise to take on planning, projects, BMPs, TMDLs, etc.*]
- Are there still two types of technical assistance? [*Yes, they continue to be as defined by the TAWG - technical assistance and comprehensive assistance (capacity building.)*]
- How does a district know how much time to request? [*By consulting with Commission field staff, Delwyne.*]
- How can a struggling district gain knowledge and training? [*Through IDEA, the Commission, NRCS, IASCD, and others as available.*]
- Districts need more discretionary time for flexibility and brainstorming on possible projects.
- Need strong communication between the Commission and districts during the process.
- Districts need grant writing and networking assistance.
- Commission staff should be used as a tool. Districts should request assistance, but Commission should evaluate the requests.
- Alternative 2 that districts design own criteria and priorities should be respected. The onus should rest on supervisors to decide what they need, allocate staff hours, determine how to spend them.
- How do districts know how many hours have been spent on awarded projects? [*Commission will issue a report at the end of each fiscal year.*]
- Districts should request a project by deliverables, Commission should figure out and assign hours based on staff knowledge of what the project will take.

ITEM #4 LISTENING SESSION

- Districts should have written procedures on how to file for and achieve a name change with the Secretary of State.
- The Commission should work to increase the amount of base funding districts receive and help increase overall funding. [*As part of the Executive Branch of Government, state agencies don’t and can’t lobby the Legislature. That is the purview of the Association.*]
- The Commission should work to reduce the cost of district audits required by statute. [*Again, the purview of the Association.*]
- The Commission should inform districts exactly what is required to conduct an audit pursuant to statute. [*Delwyne Trefz will distribute a written memo clarifying the requirements found in statute.*]
- Districts appreciated the staff training provided by the Commission at the Conference.

ITEM #5: ADJOURN:

Meeting was adjourned at 12:55 pm. The next Commission meeting is scheduled for Thursday, December 12, 2013, in Boise.

Gerald Trebesch, Secretary

SWC REPORT SUMMARY AS OF November 30, 2013

[illegible]



SOIL & WATER CONSERVATION COMMISSION

ITEM #4.c

COMMISSION

H. Norman Wright
Chairman

Roger Stutzman
Vice Chairman

Gerald Trebesch
Secretary

Dave Radford
Commissioner

Dick Bronson
Commissioner

Teri A. Murrison
Administrator

**TO: CHAIRMAN WRIGHT AND COMMISSIONERS RADFORD,
STUTZMAN, BRONSON, AND TREBESCH**
FROM: TERI MURRISON, ADMINISTRATOR
DATE: JANUARY 21, 2014
RE: ADMINISTRATOR'S REPORT

ACTIVITIES

Between your last meeting in mid-November and until a few weeks ago, things were pretty quiet on Capitol Mall. Once the Legislature reconvened in early January things got busy. The Governor released his FY 2015 Recommended Budget and we began scheduling presentations, planning our 75th Anniversary Day in the Capitol, and more.

Fortunately, your new Board Clerk, Ali Hardy, joined us as a part-time employee on January 6th. She's a recent graduate of BSU in public relations and in addition to her duties as Board Clerk, Ali will be working on the newsletter, the 75th Anniversary Day in the Capitol, and other public information tasks. Ali, her husband Sam, and new baby Lexi live in Boise.

In addition to her office administration tasks, Jan will now assist Chuck Pentzer part-time, handling CREP paperwork and doing outreach from the Boise office. This will allow Chuck and others who work in the CREP Program more time for field work. She will still handle her existing duties less the Board Clerk and public information responsibilities, but having Ali here frees her up to lighten the CREP load.

GOVERNOR OTTER'S FY 2015 RECOMMENDED BUDGET

Governor Otter's Recommended Budget for FY 2015 totals \$ 2,808,400 and includes:

- \$ 2,463,400 in General Funds; and
- \$ 345,000 in Dedicated funds.

It represents a 4.1% overall increase from our 2014 appropriation.

The Governor's recommendation for the Commission includes:

- \$ 1,174,900 in Personnel costs;
- \$436,300 in Operating expenditures
- \$44,000 in Capital funds to replace 2 field vehicles, each with over 150,000 miles; and
- \$1,153,200 in Trustee & Benefit funds to conservation districts. Of this, \$433,500 is allocated under base funding and \$ 669,700, according to local match formulas. It includes \$50,000 in capacity building grants to Districts, as well.

Included in the Budget recommendation is \$28,000 to update the Idaho Ag Pollution Abatement Plan. If appropriated by the Legislature, staff plans to bring an independent contractor on board to coordinate and draft the update, beginning in July 2014.

The Commission will present the Governor's Recommended Budget on January 29th at 8:55 am MT in the JFAC Hearing Room at the Capitol. Commissioners and partners are encouraged to attend, if available. A copy of the JFAC Presentation PowerPoint is attached for your review. It has been reviewed by our Division of Financial Management analyst Rich McCallister.

GERMANE COMMITTEE PRESENTATIONS SCHEDULE

All germane committee presentations are scheduled for February. It was difficult to coordinate them, but the majority will take place the week of February 10th. Jeff Burwell, NRCS, and Benjamin Kelly, IASCD will be part of our presentations. Due to Benjamin Kelly's commitments to Association Management Group during the Ag Summit, we only scheduled one meeting that week and tried to cluster the rest as closely as possible around our Anniversary Day in the Capitol. The meetings are scheduled as follows:

DATE	COMMITTEE, CHAIRMAN	LOCATION
Monday., February. 10, 1:30 pm	House Environment, Energy, & Technology, Chairman Raybould	Rm EW 41
Tuesday., February. 11, 1:30 pm	House Resources & Conservation, Chairman Denney	Rm EW 40
Wednesday., February. 12, 1:30 pm	Senate Resources & Environment, Chairman Pearce	Rm WW 55
Thursday., February. 13, 8:00 am	Senate Agricultural Affairs, Chairman Bair	Rm WW 53
Tuesday., February. 18, 1:30 pm	House Agricultural Affairs, Chairman Andrus	Rm EW 42

CONSERVATION THE IDAHO WAY DAY IN THE CAPITOL

The c 75th Anniversary Conservation the Idaho Way Day in the Capitol will be held from 8 am – 4 pm MT on the 4th floor of the Capitol Rotunda on Wednesday, February 12th. A number of districts, IASCD, IDEA, NRCS, and a variety of state agencies with voluntary conservation programs (IDFG, IDL, DEQ, Ag, etc.) will have display tables, as well. We'll have lunch provided by Pizzalchik's (we're currently looking for sponsors, but if we can't secure any, we have determined an appropriate budget for the lunch is in the neighborhood of \$1,500, based on what has been spent in the past by other agencies).

There will a ceremony from 12 – 1:15 with brief speeches from Chairman Wright, Jeff Burwell, Kit Tillotson or his rep, we've invited the Governor or Lt. Gov. Little, and we'll award 6 legislators (and 1 former legislator) the Arthur Snow Legislative Award for outstanding support for the conservation partnership (federal, state, and local). Arthur Snow was the legislator who carried the Idaho Soil Conservation District law in 1939. By all accounts, it was no easy feat, but he got it done. Legislators receiving the Arthur Snow Award include:

Representative Eric Anderson (aquatic invasive species advocacy)
Senator Steve Bair (Chairman of the Senate Ag Committee)
Senator Bert Brackett (Senate Ag and Interim Committees)
Representative Steve Miller (JFAC, former IASCD and NASCD, and in various committees)
Former Representative Ken Roberts (for his work on the Interim and other committees)

FEBRUARY COMMISSION MEETING

The February ISWCC meeting is scheduled for Monday, February 17th at 11 am. We had hoped to schedule it on the 13th since many of you would be in town, however, we need a few additional days to finalize adjustments we're making to the District Technical Assistance Allocation Process at your direction. The Leadership Team has put together some things, however, we want to confer with the field staff (on the 13th in the afternoon) to get their input before presenting it to your Board on the 17th.

AG SUMMIT

As you know, the 20th Annual Ag Summit will be held from February 17 – 18th at the Riverside Hotel in Boise. The theme for the Summit is 2014 – Research, Science, & Technology. Since the Summit doesn't begin until the Strolling Supper on Monday evening, we've tentatively scheduled the Commission meeting for the 17th at 11:00 am. Commissioners can also attend the scheduled Idaho Agricultural Affairs meeting with staff, Jeff Burwell, and Benjamin Kelly at 1:30 pm on Tuesday, the 18th in the Statehouse, if desired.

RECOMMENDED ACTION: For information only

Attachments:

- Draft JFAC Presentation PowerPoint



SOIL & WATER CONSERVATION COMMISSION

COMMISSION

Item 5a

H. Norman Wright
Chairman

Roger Stutzman
Vice Chairman

Jerry Trebesch
Secretary

Dave Radford
Commissioner

Leon Slichter
Commissioner

Teri A. Murrison
Administrator

TO: CHAIRMAN WRIGHT, COMMISSIONERS STUTZMAN, RADFORD, SLICHTER, AND TREBESCH

FROM: TERRY HOEBELHEINRICH, LOAN OFFICER

DATE: January 24, 2014

**RE: RESOURCE CONSERVATION AND RANGELAND DEVELOPMENT PROGRAM
UPDATE**

Since your last meeting, the following activities have conducted by staff:

Marketing (historical)	<ul style="list-style-type: none">• Intermountain Farm & Ranch Newspaper in Eastern Idaho• Booth Display<ul style="list-style-type: none">○ IASCD Conference○ Central Idaho Grazing Conference (Lewiston) (Jan. 7)○ Idaho Irrigation Equipment Show (Burley) (Jan. 15, 16)○ Direct Seed/Oil Seed Conference (Kennewick, WA) (Jan. 20-22)• Presentations<ul style="list-style-type: none">○ 'Show Me the Money' ID. Irrig. Equip. Show○ Central Idaho Grazing Conference
Marketing (planned)	<ul style="list-style-type: none">• Booth Display<ul style="list-style-type: none">○ Spokane Ag Expo (Feb. 4-6)○ Idaho Forest Owners Association (March 24,25)• Presentation<ul style="list-style-type: none">○ Idaho Forest Owners Association?• Map of RCRDP Projects by Type to be distributed at the meeting (Draft)
	<ul style="list-style-type: none">• Received 3 applications (\$15,000, \$150,000, \$62,000)• 19 loan inquiries have been received since last update
RCRDP Financial Report	<ul style="list-style-type: none">• November, December 2014 reports (attached)
Delinquencies	<ul style="list-style-type: none">• 1 delinquency, with details to be provided in executive session

ACTION: For information only

FY14 RCRDP - NOVEMBER 2013			
		YEAR TO DATE	
BEGINNING CASH BALANCE at 10/31/2013	\$	5,903,427.46	\$ 5,747,220.29
Increase of Funds	November 2013		Fiscal Year 2014
2515 - Interest Income:	\$	1,622.67	\$ 5,913.21
2523 - Loan Interest:	\$	37,210.58	\$ 61,622.10
2535 - Default Interest: (late fees)	\$	389.39	\$ 1,519.82
Principal payments received	\$	267,621.99	\$ 579,890.40
Suspense cleared			\$ -
Expenditure Adjustment (rvs pcard charges)	\$	-	
Professional Services Refund	\$	-	\$ -
Payroll Expenditure Adjustment	\$	-	\$ -
Loan Refunds	\$	11.37	\$ 131.96
TOTAL INCREASES		306,856.00	649,077.49
ADJUSTED CASH BALANCE	\$	6,210,283.46	
Decrease of Funds			
Personnel Costs	\$	(11,240.36)	\$ (60,107.76)
Operating Expense	\$	(3,989.98)	\$ (15,494.65)
P Card Payment	\$	(378.09)	\$ (682.87)
Expenditure Not Encumbered	\$	(177.00)	\$ (2,141.88)
State Holdback			
Loan Disbursements	\$	-	\$ (123,252.00)
Capital Outlay	\$	-	
Suspense Cleared	\$	-	
Refund of Revenue	\$	-	\$ -
Refund from loan Payments	\$	(11.37)	\$ (131.96)
TOTAL DECREASES		(15,796.80)	(201,811.12)
ENDING CASH BALANCE at 11/30/2013	\$	6,194,486.66	\$ 6,194,486.66
3% Minimum Contingency Reserve			\$ (117,670.68)
P Card Liability			\$ -
Funds Approved - Not Disbursed			\$ (312,828.40)
FUNDS AVAILABLE TO LOAN			\$ 5,763,987.58
Pending Approval			\$ -
Funds Available			\$ 5,763,987.58
LOAN STATUS REPORT: NOVEMBER			
Outstanding Principal Loan Balance			\$ 4,189,978.02
Disbursements			\$ -
Principal payments made			\$ (267,621.99)
Adjustments to STARS balance			
ADJUSTED PRINCIPAL LOAN BALANCE as of 11/30/2013	\$		3,922,356.03
Previous report number of active loans		111	
New Loans		0	
Loans Paid Off		-3	
Current Month number of active loans		108	
Past Due Accounts		1	

FY14 RCRDP - DECEMBER 2013			
		YEAR TO DATE	
BEGINNING CASH BALANCE at 11/31/2013	\$	6,194,486.66	\$ 5,747,220.29
Increase of Funds	December 2013		Fiscal Year 2014
2515 - Interest Income:	\$	1,579.84	\$ 7,493.05
2523 - Loan Interest:	\$	20,817.06	\$ 82,439.16
2535 - Default Interest: (late fees)	\$	463.80	\$ 1,983.62
Principal payments received	\$	111,249.39	\$ 691,139.79
Suspense cleared			\$ -
Expenditure Adjustment (rvs pcard charges)	\$	230.00	\$ 230.00
Professional Services Refund	\$	-	\$ -
Payroll Expenditure Adjustment	\$	-	\$ -
Loan Refunds			\$ 131.96
TOTAL INCREASES		134,340.09	783,417.58
ADJUSTED CASH BALANCE	\$	6,328,826.75	
Decrease of Funds			
Personnel Costs	\$	(11,509.57)	\$ (71,617.33)
Operating Expense	\$	(674.51)	\$ (16,169.16)
P Card Payment	\$	(944.85)	\$ (1,627.72)
Expenditure Not Encumbered			\$ (2,141.88)
State Holdback			
Loan Disbursements	\$	(287,400.00)	\$ (410,652.00)
Capital Outlay	\$	-	
Suspense Cleared	\$	-	
Refund of Revenue	\$	-	\$ -
Refund from loan Payments			\$ (131.96)
TOTAL DECREASES		(300,528.93)	(502,340.05)
ENDING CASH BALANCE at 12/31/2013	\$	6,028,297.82	\$ 6,028,297.82
3% Minimum Contingency Reserve			\$ (122,955.20)
P Card Liability			\$ -
Funds Approved - Not Disbursed			\$ (25,428.40)
FUNDS AVAILABLE TO LOAN			\$ 5,879,914.22
Pending Approval			\$ -
Funds Available			\$ 5,879,914.22
LOAN STATUS REPORT: DECEMBER			
Outstanding Principal Loan Balance			\$ 3,922,356.03
Disbursements			\$ 287,400.00
Principal payments made			\$ (111,249.39)
Adjustments to STARS balance			
ADJUSTED PRINCIPAL LOAN BALANCE as of 12/30/2013	\$		4,098,506.64
Previous report number of active loans		108	
New Loans		2	
Loans Paid Off		-1	
Current Month number of active loans		109	
Past Due Accounts		1	



SOIL & WATER CONSERVATION COMMISSION

ITEM # 5.c

TO: CHAIRMAN WRIGHT AND COMMISSIONERS RADFORD, STUTZMAN, BRONSON, AND TREBESCH
FROM: TERRY HOEBELHEINRICH, LOAN OFFICER, AND HARRIET HENSLEY, DEPUTY ATTORNEY GENERAL
DATE: JANUARY 21, 2014
RE: BACKGROUND INFORMATION - CONFLICT OF INTEREST POLICY FOR THE RESOURCE CONSERVATION AND RANGELAND DEVELOPMENT PROGRAM ("RCRDP")

Background The Idaho Soil and Water Conservation Commission ("SWCC" or "Commission") does not have a policy or protocol in place to serve as guidance when an application is submitted for a RCRDP loan that could create a conflict of interest for staff or SWCC members. As requested, the SWCC loan officer, Terry Hoebelheinrich, and Deputy Attorney General Harriet Hensley are researching applicable law and identifying pertinent issues for consideration by the SWCC in the development of such a policy. This document provides a summary of Idaho law governing public officials' conduct with respect to conflicts of interest. A summary of state and federal banking law is provided as well. Additional information and recommendations will be provided at the January SWCC meeting.

Ethics in Government Act Under the Ethics in Government Act ("Act"), "conflict of interest" means any official action or decision or recommendation by a person acting in a capacity as a public official, the effect of which would be to the private pecuniary benefit of the person or a member of the person's household, or a business with which the person or a member of a person's household is associated.... I.C. § 59-703(4). "Pecuniary benefit" means any benefit to a public official or member of his household in the form of money, property or commercial interests, the primary significance of which is economic gain." I.C. § 59-703(7).

Idaho Code § 59-704 prohibits Commission members and staff from taking any official action or making a formal decision or formal recommendation concerning any matter where there is a conflict of interest when the Commission member or staff has failed to disclose such conflict as required. In order to determine whether a conflict of interest exists, Commission members and staff may seek legal advice from the attorney representing that agency, the attorney general, or independent counsel. If the legal advice is that no real or potential conflict of interest exists, Commission members and staff may participate in decision making and deliberation. If the legal advice is that a real or potential conflict may exist, Commission members and staff must submit a written statement describing the potential conflict to their appointing authorities who may



SOIL & WATER CONSERVATION COMMISSION

request legal advice from the attorney general, agency attorney, or independent counsel. The public official may act on that advice.

It's important to note that the statutory definition of conflict of interest is limited to participating in an "official action or decision or recommendation" that would result in financial benefit for the public official or a member of the person's household, or a business with which the person or a member of a person's household is associated. If the public official removes himself or herself from all deliberations on the matter, no conflict of interest exists under the Act.

As an example, the Idaho Water Resource Board's ("IWRB") formal policy on conflict of interest is set out in the agency bylaws and prohibits board members from voting or participating in any discussion or action of the IWRB, in which the member has a substantial individual financial interest, as contrasted with a general public benefit, or is an officer, agent, attorney, or employee of the group, entity or person seeking IWRB action. An interested IWRB member may be counted in determining the presence of a quorum for the transaction of business at the meeting. The Idaho Board of Environmental Quality follows a similar protocol.

State and Federal Banking Law Although the Commission's conduct is not governed by Idaho Banks and Banking Law, the prohibitions governing loans to officers and directors of lending institutions are consistent with the requirements under the Ethics in Government Act. I.C. § 26-706 states:

Except as authorized under this section, no bank may extend credit in any manner to any of its own executive officers. Any extension of credit under this section must be approved by the board of directors of the bank, and may be made only if such credit extension comports with the principles of safety and soundness and is in compliance with regulation O of the board of governors of the federal reserve system, 12 CFR 215. Each executive officer and director who receives an extension of credit from the bank shall submit a personal financial statement to the chief executive officer of the bank at least once during each calendar year and such financial statement shall be made available to federal or state regulatory agencies upon request by the agency.

Regulation O, 12 C.F.R. Part 215, which implements sections 22(g) and 22(h) of the Federal Reserve Act, limits how much and on what terms a bank may lend to its own insiders and affiliates of insiders. Generally speaking, it is intended to prevent insiders from obtaining extensions of credit on preferential terms. The term "insider" is defined in many ways and includes an individual who has the power to exercise a controlling influence over the management or policies of the company or bank. The purpose of Regulation O is to remove



SOIL & WATER CONSERVATION COMMISSION

personal involvement in loan decisions by requiring approval of certain amounts of credit by a majority of the entire Board of Directors with the interested party abstaining from voting.

Draft Policy for Discussion

No Commissioner shall vote or participate in any discussion or action of the Commission concerning any matter the effect of which has or would be to the private pecuniary benefit of the person or a member of the person's household, or a business with which the person or a member of a person's household is associated. In order to determine whether a conflict of interest exists, the Commission member must seek legal advice from the attorney representing the Commission. If the legal advice is that no real or potential conflict of interest exists, the Commission member may participate in decision making and deliberation on the matter. If the legal advice is that a real or potential conflict may exist, the Commission member must submit a written statement describing the real or potential conflict to the Commission and decline to participate in any related discussion or deliberation on the matter.

REQUESTED ACTION: For consideration and possible action